

HOUSE BILL No. 1403

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-10-15; IC 8-22-3-28.

Synopsis: Property tax exemption for airport property. Provides that, for purposes of the property tax exemption for real property used for airport purposes, real property is considered to be used for airport purposes if the real property was purchased with funds that include grant money from the Federal Aviation Administration or the Indiana department of transportation.

Effective: January 1, 2016 (retroactive).

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January 13, 2016, read first time and referred to Committee on Ways and Means.



Second Regular Session of the 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

HOUSE BILL No. 1403

A BILL FOR AN ACT to amend the Indiana Code concerning property taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-10-15, AS AMENDED BY P.L.119-2012,
2 SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JANUARY 1, 2016 (RETROACTIVE)]: Sec. 15. (a) The acquisition
4 and improvement of land for use by the public as an airport and the
5 maintenance of commercial passenger aircraft is a municipal purpose
6 regardless of whether the airport or maintenance facility is owned or
7 operated by a municipality. The owner of any airport located in this
8 state, who holds a valid and current public airport certificate issued by
9 the Indiana department of transportation, may claim an exemption for
10 only ~~so much of the land as is reasonably necessary to and~~ used for
11 public airport purposes. A person maintaining commercial passenger
12 aircraft in a county having a population of:
13 (1) more than two hundred fifty thousand (250,000) but less than
14 two hundred seventy thousand (270,000); or
15 (2) more than three hundred thousand (300,000) but less than four
16 hundred thousand (400,000);
17 may claim an exemption for commercial passenger aircraft not subject



to the aircraft excise tax under IC 6-6-6.5 that is being assessed under this article, if it is located in the county only for the purposes of maintenance.

(b) The exemption provided by this section is noncumulative and applies only to property that would not otherwise be exempt. Nothing contained in this section applies to or affects any other tax exemption provided by law.

(c) As used in this section, "land used for public airport purposes" includes the following:

(1) That part of airport land used for the taking off or landing of aircraft, taxiways, runway and taxiway lighting, access roads, auto and aircraft parking areas, and all buildings providing basic facilities for the traveling public.

(2) Real property owned by the airport owner and used directly for airport operation and maintenance purposes.

(3) Real property used in providing for the shelter, storage, or care of aircraft, including hangars.

(4) Housing for weather and signaling equipment, navigational aids, radios, or other electronic equipment.

The term does not include land areas used solely for purposes unrelated to aviation. means real property purchased using funds that include grant money provided by:

(1) the Federal Aviation Administration; or

(2) the Indiana department of transportation.

SECTION 2. IC 8-22-3-28 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]:
Sec. 28. (a) The acquisition, establishment, construction, improvement, equipment, maintenance, control, and operation of airports and landing fields for aircraft under this chapter is a governmental function of general public necessity and benefit, and is for the use and general welfare of all the people of Indiana, as well as of the people residing in the district.

(b) Notwithstanding any other statute, the leasehold estate of any lessee created pursuant to a lease by the board of its aviation related property or facilities, together with any permanent structure erected on the property by the lessee is exempt from property taxation.

(c) This subsection applies to property, facilities, or permanent structures leased by the board of an airport authority established for a county containing a consolidated city. Notwithstanding subsection (a), any property, facilities, or permanent structures subject to a lease entered into or renewed after July 1, 1995, is not entitled to a property tax exemption if the property, facility, or structure is not used for



1 aviation related purposes.

2 **(d) Properties, facilities, or permanent structures subject to a**
3 **lease described in this section are considered to be:**

4 **(1) aviation related properties or facilities; or**

5 **(2) used for aviation related purposes;**

6 **if the properties, facilities, or permanent structures are situated on**
7 **land purchased using funds that include grant money provided by**
8 **the Federal Aviation Administration or the Indiana department of**
9 **transportation.**

10 SECTION 3. [EFFECTIVE JANUARY 1, 2016 (RETROACTIVE)]

11 **(a) IC 6-1.1-10-15 and IC 8-22-3-28, both as amended by this act,**
12 **apply to property taxes imposed for an assessment date after**
13 **December 31, 2015.**

14 **(b) This SECTION expires January 1, 2018.**

15 SECTION 4. An emergency is declared for this act.

